

## Mayor Barrett's 2012 State of the City Address

February 13, 2012
As Prepared for Delivery

Thank you, Aitor, for the kind introduction and again for choosing Milwaukee.

Welcome Alderman, other elected officials, distinguished guests and fellow Milwaukeeans. I'd also like to extend a warm welcome to our new partner at the county, County Executive Chris Abele.

Ingeteam is a great addition to our city. It was just two years ago that I first congratulated Ingeteam for selecting Milwaukee as it North American headquarters.

Since that time, we joined the groundbreaking ceremony and then watched as this impressive manufacturing facility took shape. Aitor Sotes, Adolfo Rebollo, Javier Perez, Felix Morales and everyone here at Ingeteam have a lot to be proud of.

We are very appreciative of Ingeteam's investment in the Valley and we share your optimism for a bright and productive future. Again, thank you very much.

I chose Ingeteam and the Valley as this year's State of the City venue because our successes here should serve as a reminder – an inspirational reminder – that we can accomplish great things; we can help grow great companies and we can build sustainable environments that produce jobs.

We all know that in the years after World War II, the Menomonee Valley took a turn for the worse.

In recent years though, we made strategic investments, built public infrastructure and once again connected neighborhoods.

The Valley is an incredible accomplishment.

In fact, in the last eight years, the Menomonee Valley's total assessed property value increased by 229 percent.

Best of all, workers from different skill levels have found jobs here – more than 4,000 thousand since 2004.

We need to keep building. We need more jobs and we must do all we can to put Milwaukeeans to work. This is the State of our City today.

We must direct resources to tackle the high African American male unemployment rate.

We need to do more to connect manufacturers to trained workers. And we can't stand still waiting for the economy to completely rebound before we invest in the infrastructure and human capital necessary to attract jobs.

That is why we are investing in Century City. The former A.O. Smith/Tower Automotive site is in the midst of a transformation as unusable buildings are demolished, contaminated land is remediated, and a new business park is being mapped out.

We have made significant progress at Century City. We've invested tens-of-millions of dollars there.

I am optimistic Century City will produce the same kind of private sector job creation we have seen right here in the Menomonee Valley.

Throughout the 30th Street Industrial Corridor –from the neighborhood around Miller Brewery and Harley-Davidson, north to Master Lock and up to Hampton Avenue – the city, along with businesses and residents, have come together to plan the area's future. Smart investments, like the environmental and demolition work at the old Esser Paint site, allow us to set a course for a strong future.

State government cannot minimize the unemployment, workforce and investment issues that extend throughout the 30th Street Industrial Corridor.

The national foreclosure crisis hit the neighborhoods in the corridor extremely hard. Home values plummeted. Some blocks have multiple foreclosed and boarded properties. Policing and maintaining these properties have stretched our city service budgets thin.

In fact, the six zip codes in the entire State of Wisconsin which have been most affected by the foreclosure crisis are right here in the City of Milwaukee. Four of those zip codes encompass the neighborhoods within and adjacent to the Corridor. The City has 4,800 abandoned properties that need to be stabilized or demolished. At an average cost of \$10,000 per property, we would need \$48 million to accomplish this.

And yet, in the face of these daunting statistics, the State Attorney General and Governor want to take \$25 million of the state's foreclosure settlement funds – funds that should be directed to neighborhoods- and they want to take that money to help manage an unbalanced state budget. This raid on the foreclosure settlement funds is an unconscionable "bait and switch."

It's time for the State to get serious and come to the table to partner with us. I would welcome their assistance, as would Alderman Willie Wade and Council President Willie Hines, two of the Corridor's strongest supporters.

Along the south end of the Sixth Street Viaduct is the Reed Street Yards, where the city has advanced its plans for a new, job-creating development. The Common Council and I approved the expenditure of Tax

Incremental Financing money to build the public infrastructure in the Reed Street Yards. The nine-acre site on the near south side will be an inviting location for the growth of water-related businesses, and is adjacent to the planned Water Council research and business accelerator building.

The Inner Harbor – nearly 1000 acres between the Third Ward and Bay View, needs economic and environmental revitalization so that this valuable area can once again be an engine – a clean, efficient, engine of growth. Over the past year, led by the UWM School of Architecture, City and community leaders have started a comprehensive planning and design effort to redevelop and breathe life into the Inner Harbor. Through generous support from the Brico Foundation, this partnership has laid the groundwork. Thank you, Brico.

In 2012, the new facility for the School of Freshwater Sciences will begin construction and the City will begin infrastructure work on Greenfield Avenue in the heart of the Inner Harbor. Once again, the City in partnership with civic leaders, will seek to redevelop a critical Milwaukee asset while paying special attention to the natural systems that enhance its economic potential.

We envision a campus for the School of Freshwater Sciences rising on the banks of the Harbor, a new section of the River Walk extending from downtown, new residential and recreational possibilities on the Harbor and the Kinnickinnic River, and new businesses.

Just beyond the walls of this company is the Menomonee River, one of Milwaukee's three great rivers. The Menomonee's revitalization along this stretch works hand-in-hand with the economic revitalization in the Valley.

Earlier this month, the city signed a master agreement for the public space we call the Airline Yards. It's a narrow land area just southeast of Ingeteam. Working cooperatively with the Wisconsin DOT, the Wisconsin DNR, Menomonee Valley Partners, and the Urban Ecology Center, we have developed plans and raised funds for a park.

It includes two pedestrian bridges, biking and hiking trails, and a canoe launch. One of the bridges will connect to the Mitchell Domes and the other will span the Menomonee River providing a connection to the Hank Aaron State Trail.

The Urban Ecology Center will complete its Pierce Street branch this year activating the park space year-round for recreation and education.

The City, MMSD and other community partners, including Aldermen Michael Murphy and Nik Kovac have worked hard to revitalize the Milwaukee and Menomonee Rivers – not just their natural systems by cleaning their waters – but also by smartly utilizing them as an asset for economic growth.

We are now embarking on a similar effort with Milwaukee's other river – the KK. Many people are working toward a common goal: to make the KK a healthier ecosystem that residents can enjoy without worrying about the harmful effects of pollution.

Just like we want to attract new manufacturing firms to Century City and the Inner Harbor, we want to retain and strengthen our current manufacturing base.

Over the past two years, the City has worked with manufacturers to assist them in improving the sustainability of their operations.

In 2011, I launched the Milwaukee Sustainable Manufacturing Initiative – or ME3 program –to cut manufacturer operating costs by reducing material use and waste, and also increasing efficiency. The key performance indicator for the ME3 program is the return on investment to the manufacturer.

This program is possible because of contributions from 13 – yes 13 – local, regional and federal partners. All of whom share my goal of enhancing the competitiveness of Milwaukee's manufacturers. To date, the ME3 partnership has worked with nine smaller area firms. Two of these firms are here with us this morning.

The first firm is a metal casting business - Badger Alloy. With assistance from the ME3 program, it is working to expand its production capacity, reduce its peak energy demand, reduce costs and the amount of waste going into landfills.

Rob Cowen is the president and CEO of this company. Rob, please stand and be recognized for your contributions to our community and your sense of responsibility that extends beyond the walls of your facility.

Another partner of ours is ETE Reman – a rapidly growing transmission remanufacturer. ETE has leveraged ME3 funds to continue to improve productivity, reduce its environmental impact, and create jobs. ETE Reman has made a significant financial commitment to growing its business and creating jobs in the City of Milwaukee. Simyon Loshak is the president. Please stand and be recognized for your contributions to our community.

These two firms are Milwaukee. And there are thousands of small businesses like them, quietly doing the right thing by adding to our economic well-being. I have recently directed my team to expand the ME3 program and start accepting additional applications so that we can help more companies.

In 2005, community members of the Milwaukee Green Team presented a series of nearly 40 recommendations to the City. As of the end of 2011, I'm proud to say the City had implemented 85 percent of those recommendations. It's time now to build on the first Green Team's premise that Milwaukee's economy and the environment are interdependent.

I spoke of that interdependence in 2004 and now we're seeing that idea played out daily in the actions and activities of the City and its partners: from the Water Council, to the members of the Milwaukee Food Council, to our clean energy and advanced manufacturers that make smart products for a global market. And Alderman Terry Witkowski has helped our effort by authoring legislation to designate the three-mile stretch of S. 6th St. from Howard to College as "The Green Corridor."

We've been smart and the first Green Team pushed the City in that direction.

Just like our local manufacturers that are always looking for continuous improvements, we as a City need to do the same.

To demonstrate our commitment to action, I'm announcing that we will immediately start work on a Milwaukee Sustainability Plan.

I want this plan to be tied to action in the community and to City Hall; but, we cannot do this alone. I'm happy to again recognize the Brico Foundation, who is working with my team to build a Milwaukee Sustainability Fund that will ensure this planning process leads to action.

Our new "Green Team" will bring together residents, business and civic organizations as well as City government. This executive committee Green Team will be chaired by my Environmental Sustainability Director, Matt Howard. There are members of the new Green Team here this morning, and I'd like to publically acknowledge them. If you could, please stand. Thank you very much.

I have some good news to share this morning from a respected company with a strong presence in Milwaukee. Sigma Aldrich, the world's largest supplier of research biochemical and organic chemicals, is expanding its operations on North Teutonia Avenue with a \$30 million capital investment.

The company is adding 40 jobs here by consolidating its distribution operations – better serving its customers. By August, Sigma Aldrich's new addition will be on line, and the new employees will join the hundreds already working in the company's facilities in this region. I appreciate the investment, the job creation, and the commitment Sigma Aldrich is making to our community.

And there's more good news. Last month, Dental Associates purchased the historic Iron Block building at the corner of Wisconsin Avenue and Water Street – in the heart of downtown Milwaukee. Dental Associates and its employees at its corporate offices are relocating to the City of Milwaukee. The move is an affirmation of downtown Milwaukee.

The city is working with stakeholders to improve downtown. And we should always remember that downtown Milwaukee has the highest concentration of property value and business activity of any area in the state. This concentration benefits us all.

On the northwest side of the city, manufacturers are also investing and growing. One of those companies, Diamond Precision, expanded last year beyond its home in Johnson Creek to a new location here in Milwaukee. Diamond Precision makes machined components with advanced manufacturing techniques. The company is adding dozens of workers as it grows.

The Milwaukee Economic Development Corporation approved \$1.5 million in loans for Diamond Precision. Others stepped up, including the Northwest Side Community Development Corporation which closed on a \$700,000 loan to the company. I want to thank Alderman Bob Puente for being so supportive of this new venture.

In neighborhoods all across Milwaukee, dedicated businesspeople, small manufacturers, retailers, and service providers employ city residents, participate in civic life and build economic value – for themselves and our entire community.

City government encourages their success with support for local business improvement districts, façade grants, retail investment grants, and financing partnerships. From a print shop on Martin Luther King Drive to a grocery store near 13th and Oklahoma, you'll find partnerships between the city and local small businesses.

On North Fond du Lac Avenue, there's a great example of this partnership: Gee's Clippers, the legendary sports barbershop, worked with the city and obtained a significant grant to help with an expansion – creating jobs and adding value to that neighborhood. Gee Smith is here, and I invite you to join me in thanking him for being part of Milwaukee's local economy.

Just as important to business is our local infrastructure. Alderman Joe Dudzik, chairman of the Public Improvements Committee, knows this firsthand.

That is why I am proposing the "Fix It First" transportation plan and asking that the State partner with local governments in investing in our local economies.

The "Fix It First" plan would simply prioritize state transportation funding over the next four years to fixing local roads. Over the last 20 years, state highway expansion has seen huge increases and lots of worthy projects have been completed. Now is the time to slow down on building new lanes, and take care of what we have. Just 20 years ago, state funds paid for 40 percent of local road maintenance; today that number is below 25 percent.

I call upon the state to make this investment into improving local infrastructure and helping our local economies. If we do that, everyone wins, including those in the construction trades.

We are strengthening our efforts to train and place workers. Last year, I focused on Milwaukee's New Jobs Corps Center.

This morning I'm pleased to announce The Mayor's Manufacturing Partnership.

This collaboration brings together the Wisconsin Regional Training Partnership/Big Step, the Milwaukee Area Workforce Investment Board and Milwaukee Area Technical College. Our effort focuses on area manufacturers and will work to link them to jobseekers.

Our estimates suggest that funding for this initiative from the Milwaukee Area Workforce Investment Board will support training for hundreds of workers.

Our partnership addresses the problem of the skills gap head on. Our training curriculum will meet employers' needs. We'll coordinate workers being trained with Milwaukee Area Technical College and with our manufacturing partners.

I want to thank my corporate partners from Milwaukee Gear and Masterlock and recognize Don Sykes for all of his work in making this a reality.

And here's another example: our Milwaukee Builds Program is a training effort that offers skilled labor apprenticeships. Our partners at Northcott Neighborhood House and the Milwaukee Christian Center have trained more than 150 workers since the program's inception. Most of these individuals have successfully gone on to gainful employment including Steven Teasley.

Steven is a life-long Milwaukee resident who was unemployed for four years after retiring from Tower Automotive. In the spring of 2010, Steven became a member of the first Milwaukee Builds crew. He recently was promoted and now supervises individuals working on a project that's helping to revitalize the North Division Neighborhood.

Congratulations to Steven on your success and thanks to Mac Weddle of Northcott for your continued support.

My summer jobs program, known as Earn & Learn, now in its seventh year of operation, was created to tie the enthusiasm for earning a buck with work. Since we started, more than 12,000 Milwaukee teenagers have been gainfully employed in summer jobs.

I believe that when a young person is given a chance to prove themselves through their hard work, they'll take it. Last year, I created the Earn and Learn Fund at the Greater Milwaukee Foundation. Many of our most prominent business leaders stepped up and answered the call. We raised \$330,000 for summer jobs.

We tapped six different funding sources, including the State and managed to put 2,500 kids to work. My goal for this summer is to provide 3,000 jobs.

And we are well on our way, with an initial contribution of \$50,000 from A.O. Smith's CEO Paul Jones. Joining him as part of the Fund's Corporate Lead Team are CEO Giacomo Fallucca of Palermo's Pizza, Mark Sabljak, Publisher of The Business Journal, and Don Smiley, CEO of Milwaukee World Festival, Inc. Please join me in thanking them for their leadership and commitment – making a summer job in 2012 a reality for teens throughout Milwaukee.

One of my proudest moments as Mayor was something you haven't read a lot about in the paper and while you should have, you didn't see it on TV, but on an incredibly windy and cold October day, 500 people gathered to celebrate the opening of a new, state-of-the-art library on our community's northwest side – The Villard Library. It was truly a cause for celebration.

Villard Library is innovative. It's a successful partnership that allows the renovation of libraries at affordable costs to the city. Developments like this add to the tax base, invigorate the neighborhood and represent the look of the 21st century library.

It's been open about four months now and we've got some pretty cool statistics:

Visits are up by 88.3 percent.

Circulation is up by 93.6 percent.

And Library Cards requests are up by 137 percent.

Congratulations to our City Librarian Paula Kiely, branch manager Kirsten Thompson and the library's dynamic staff.

Libraries are critically important to our community, not only because they support education and lifelong learning, but because they add economic value to a community.

Even in difficult financial times, I've made it a priority to maintain, improve and initiate important programs like the Teacher in the Library.

This year, with the strong support of Alderman Ashanti Hamilton and Alderwoman Milele Coggs, we were able to expand the number of hours and libraries where teachers will be on hand to help children complete homework assignments.

My budget this year also includes increased hours at Central and neighborhood libraries, enhanced outreach for the First Grade Library Card Campaign and the Summer Reading Program. Last year, more than 20,000 children participated in the summer reading program and we're pulling out all the stops this year to ensure that we have even more participants.

Strengthening our K-12 schools is fundamental to our success. I'm very impressed with Dr. Gregory Thornton's energy and his willingness to take on so many of the issues MPS is facing. Thank you for being here today, Dr. Thornton.

I'm also encouraged by the work Ellen Gilligan and the Greater Milwaukee Foundation's Milwaukee Succeeds initiative is undertaking.

All our schools – MPS, Choice, and Charter, receive public tax dollars and provide families with a variety of enrollment options. We know about the options. What we don't have is the information to compare and contrast school performance. Milwaukee should have a common report card that measures the growth in school performance and provides families with essential information.

The Milwaukee report card should not be an instrument to pit one school against another. Too many of our children are already struggling. So many of our teachers are being asked to do more than teach. The report card will establish a baseline and measure value-added outcomes on annual basis. Our goal is to improve performance in all schools and provide Milwaukee families with more quality.

I have been meeting with education leaders and advocates from MPS, as well choice and charter schools who are also actively engaged in the development of the Milwaukee Common Report Card. Building consensus is not an easy task.

It is my hope that as the proposal's details are made public, we, as a community committed to better schools and better opportunities for our children, can stand together on common ground.

Let's talk about health.

Our community is richer when our babies are born healthy and remain healthy. The fact that Milwaukee continues to have one of the worst infant mortality rates for African American infants- higher than most US cities, and higher even than many developing countries, should shake the hearts and souls of everyone in this room, of everyone in this City, of everyone in this state.

Last year, Health Commissioner Bevan Baker and I set a historic goal to reduce infant mortality. By 2017, we will reduce infant mortality 10 percent, and 15 percent among African American infants. We are going to hold ourselves and this community accountable.

Fortunately, we have partners. The United Health Foundation has joined our effort and will contribute \$50,000 toward our Cribs for Kids program. Through this program, we offer Pack 'n Plays and information to parents who do not have a safe place for their baby to sleep. These funds will cover expenses for this much-needed program for nearly a year. I'd like to recognize Wendy Arnone, Jeff Nohl, and Dr. Bruce Weiss. Thank you for your generous donation and for helping to make a difference in our community.

I also want to thank the United Way of Greater Milwaukee and its CEO Mary Lou Young for establishing a fund to directly support infant mortality reduction efforts. The United Way has provided \$200,000 to our

highly successful home visitation program.

In 2011, nurses and social workers at the Health Department worked with hundreds of at-risk families, providing intensive home visitation services. They made nearly 8,000 visits. Today, I'm gratified to report 215 babies were born to our home visitation clients. All of these babies are thriving, and their parents are empowered with the knowledge and information they need to ensure their child's well-being.

To meet our goal, I'm calling on every one – businesses, health care systems, foundations, state government and individuals to make the reduction in infant mortality a top priority. To succeed, everyone must step-up.

Driving down crime helps business. I'm extremely pleased to report that in the last four years, we've seen dramatic declines in both violent and property crime. Between 2007 and 2011, total crime decreased 21.1 percent. This number translates into 25,508 fewer crime victims. The hard work of the Milwaukee Police Department is having a profound impact on our neighborhoods.

To the men and women of the Milwaukee Police Department, thank you for your dedicated service. I'm particularly pleased and honored to recognize Police Officer Frank Vrtochnick, Officer Dayon Ninkovic and Officer Matt Nogalski.

On Christmas evening, when most of us were at home with our families, Officer Vrtochnick was on duty and was critically hurt by a hit and run driver. Officer Ninkovic was his partner the evening of the incident and Officer Nogalski was instrumental in tracking down the suspect who was found hiding in Chicago.

Each day, law enforcement officers put their lives on the line to protect and serve our community. Please join me in recognizing these gentlemen and all of the men and women of the Milwaukee Police Department. You have our appreciation and our gratitude.

I'm also grateful to the faith-based community, to the many block watch clubs and neighborhood coalitions, as well as the Department of Neighborhood services who have all joined with the police department in making Milwaukee safer. There's still a lot work to be done and I look forward to working with Chief Ed Flynn to make Milwaukee safer.

Chief Mark Rolfing and the Milwaukee Fire Department continue to provide an exceptional level of fire protection and emergency medical services, meeting and exceeding national standards for response and care. To the men and women of the Milwaukee Fire Department, thank you for your service.

I want to take a minute and talk about elections and Alverno College. As many of you are aware, elections rely on poll workers who work incredibly long days for a very small stipend. When the Presidential Election was held four years ago, Alverno College President Mary Meehan cancelled classes so faculty and students could get involved in the electoral process. Two-hundred signed-up as Election Day workers. Many are still serving as poll workers. Talk about a real life civics lesson. Because of the impressive participation in 2008, President Meehan has once again decided to cancel classes and encourage Alverno students and faculty to work on Election Day this November. To President Meehan and all the Alverno students and faculty, thank you! You are doing valuable work.

Before I close today, I want to talk about the Milwaukee Brewers. Always remember, hope springs eternal. Every year, the start of baseball spring training brings a sense of anticipation and hopefulness. And the

Milwaukee Brewers have given us lots of reasons to be hopeful. Our team is the defending National League Central Division champ, and we're looking forward to even more from the Brewers this year.

The Brewers are also great community partners, and I appreciate the fantastic work of the Brewers Community Foundation. Chief Operating Officer of the Milwaukee Brewers Rick Schlesinger is here this morning. Thank you, Rick, for your commitment to an outstanding baseball club and to our community.

Hope springs eternal for the City of Milwaukee as well. I have a lot of optimism about the future of our city. Taking on big projects like Century City, the Reed Street Yards and the Inner Harbor requires vision, patience and a resolve that we can accomplish big things.

Look at where we are this morning. As you make your way back to your jobs, take a moment to appreciate what has been done here and think about where we can take this wonderful City.

What we have to do won't be easy. There are risks. There will be stumbles. We won't always hit a home run, but it's important that we're on the field together to pursue the goal of building a stronger Milwaukee.

Community spirit, partnerships, and hardworking individuals will drive our success.

We have the commitment and the energy to move forward. We will drive down unemployment. We will meet our infant mortality goals. We will roll up our sleeves and take on the issues that need to be addressed. We will remain dedicated to making this city an even better place for our children and future generations.

I am so proud of Milwaukee, and I am confident we are headed in the right direction. Thank you for your help and for your being here this morning.

Have a great day.